

ANNUAL REPORT



A Message to Our Members

Throughout 2024, BCU continued its commitment to delivering unmatched value and superior service to every member, Company Partner, and community we serve. Our members faced challenges brought on by persistent inflation and economic uncertainty that allowed the Credit Union to rise to the occasion and fulfill our Purpose of Empowering People to Discover Financial Freedom.

BCU's emphasis on extraordinary service, product superiority, operational efficiency, and scalable growth have made it the thriving cooperative our founders envisioned in 1981. Now over \$6 billion in assets, the Credit Union welcomed more than 43,000 new members in 2024. BCU's capital ratio, at 9.99%, is a powerful testament to our resilience and stability amid challenging macroeconomic conditions. Our employees' dedication to delivering the very best member experiences is measured using Net Promoter Score (NPS). Ending the year with a score of 79.81, BCU's NPS is nearly double that of large national banks. This success reflects the Credit Union's ability to connect with members anytime, anywhere, through high-touch personal interactions and innovative digital solutions. Nearly 80% of members actively manage their finances through BCU's secure Digital Banking platform, where over one hundred feature enhancements were added in 2024, including a new member Welcome Center and Financial Well-Being Hub. These improvements underscore the Credit Union's ability to fulfill easy-to-use technology in a mobile-first world.

With 49 branches across the U.S. and Puerto Rico, BCU offers convenient locations where members enjoy live conversations and assistance from knowledgeable member service representatives. In November, BCU expanded its footprint in the Northern Illinois community, opening a branch in Lake Zurich. Adding another location that is centrally located to the existing member base affirms our commitment to the communities

we serve and our desire to be close to where members live and work. Coming Spring of 2025, BCU is thrilled to announce the opening of another branch in Kenosha, Wisconsin.

PowerPlus™ Checking, the Credit Union's most popular transactional account, continued to attract members with an introductory offer of up to 8.00% APY**, ATM fee reimbursements, and no hidden fees. In 2024 alone, PowerPlus Checking account holders earned over \$11 million in dividends and received more than \$1.6 million in reimbursed ATM fees. BCU's competitively-priced Certificates of Deposit (CDs) provided members with secure investment options, too. Over the past year, tens of thousands of members took advantage of these products to grow their savings with a guaranteed return.

From once-in-a-lifetime purchases to everyday essentials, BCU supported members with professional guidance and personalized savings opportunities. In a housing market where affordability and inventory remained top concerns, BCU helped members navigate uncertainty. With customized service, a seamless digital experience, tailored solutions for first-time homebuyers, and more, BCU successfully originated over \$416 million in new home loans. In addition, Credit Union members saved over \$416,000 in cash rebates with HomeAdvantage® — a free program that connects homebuyers and sellers with top-performing agents and cash rewards at closing. Home Equity loan balances also grew by 19.11%, enabling members to unlock the value of their real estate investments. The Auto Buying Service provided members the opportunity to explore the open road, reducing stress in the car-buying process and saving \$1.4 million, collectively. Even in the smallest of transactions, BCU cardholders maximized their spending power in 2024, earning \$8.8 million in cash back with the Cash Rewards Visa® and accumulating over 1.16 billion rewards points with the Travel Rewards Visa®. BCU's proprietary financial well-being program, Life. Money. You.®, welcomed over 20,000 new subscribers, with more than 4,500 of them converting their subscription to Credit Union membership. Members who engaged with BCU's Certified Financial Coaches and monitored their credit scores through SavvyMoney® saw improvement, making it easier for them to qualify for loans.

BCU's commitment to community and inclusion remained a cornerstone of our mission in 2024. In the wake of hurricanes Helene and Milton, BCU worked swiftly to offer financial assistance to those affected — waiving over \$80,000 in fees, providing more than 600 loan extensions, and granting over \$1.5 million in disaster loans following the storms.

The Credit Union also stood up a temporary Branch and flew staff in from other locations to assist members on-site after BCU's permanent Branch in North Cove, North Carolina suffered damage. With the rapid rise of Artificial Intelligence (AI), BCU partnered with AviairyAI to leverage sophisticated voice agents to contact members impacted by the disasters, providing crucial information about assistance and a two-way interaction that was empathetic and personal. The Credit Union also donated over \$500,000 to charitable causes and awarded scholarships to 30 outstanding students across the U.S. and Puerto Rico. Beyond their everyday responsibilities, employees volunteered over 2,000 hours of time in their communities. BCU's internal DEI Council launched initiatives that advance our inclusive workplace culture, and employees completed nearly 380 hours of DEI training. Anchored in our Purpose, BCU stands strong in our values and promises to “wow” members at every turn.

Recognized for an outstanding workplace culture, BCU earned the honor of Gallup® Exceptional Workplace for the second year in a row. We were also named to CardRate's 10 Most Respected Credit Unions in America, and 10 Most Respected Credit Unions in Illinois lists for 2024.

As BCU looks to the future, we remain passionate about empowering members and promoting financial well-being for all. To our dedicated employees, Board of Directors, Company Partners, and most importantly, our members — we extend our deepest gratitude for your trust and partnership. Together, we look forward to continued growth and shared success in 2025 and beyond.

Michael Valentine
President/Chief Executive Officer

Michael Curran
Chairperson of the Board



Interact with
BCU's Year In Review:
[BCU.org/2024](https://www.bcu.org/2024)

*Disclosure can be found at BCU.org

Board of Directors, Committees & Officers

Board of Directors

Michael Curran*
Paul Martin
Michael Valentine
William Costa
Brett Craig
Christine Fleming
Betty Larson
Christine McCauley
Alfred Nietzel
Ola Snow
David Strauss

Chairperson Emeritus

Thomas Hodson

Executive Committee

Michael Curran*
Paul Martin
Christine Fleming
Christine McCauley
Alfred Nietzel

Supervisory Committee

Christine Fleming*
Alfred Nietzel
Ola Snow
William Costa
Robyn Wells

Technology Committee

Paul Martin*
William Costa
Brett Craig
James Block
Dave Blum
Carl Presto
Kerriann Mills

Nominating Governance Committee

Christine McCauley*
Betty Larson
David Strauss

Sr. Management Team / Officers

Michael Valentine
President, Chief Executive Officer, Treasurer
Carl Presto — Executive Vice President,
Chief Financial Officer, Assistant Treasurer
Lisa Baron — Executive Vice President,
Chief Human Resources Officer
James Block — Executive Vice President,
Chief Operating Officer
David Blum — Executive Vice President,
Relationships & Service Delivery
Kerriann Mills — Senior Vice President,
Chief Legal Officer, Assistant Secretary

David Brydun — Senior Vice President,
Chief Lending Officer, Credit Manager

Maggie Garcia — Senior Vice President,
Payments & Call Center Operations

Bhavna Guglani — Senior Vice President,
Chief Digital Officer

Daniel Parsons — Senior Vice President,
Branches & New Partnerships

Jill Sammons — Senior Vice President,
Marketing & Strategic Growth

Chuck Smith — Senior Vice President, Contoller

Stephenie Southard — Senior Vice President,
Chief Security Officer

Scott Zulpo — Senior Vice President,
Chief Technology Officer

Davi Allen — Vice President, Consumer Lending

Dan Cook — Vice President, US Retail Branches

Brett Engel — Vice President, Finance & Risk

Erin Macasek — Vice President, Marketing

Joe McCarthy — Vice President,
Real Estate Lending

Dmitriy Melnik — Vice President,
Enterprise Architecture & Software Development

Jordan Mueller — Vice President,
Program Delivery

Keith Parris — Vice President,
Contact Center Operations & Technology

Harvey Rindt — Vice President, Compliance

John Sahagian — Vice President,
Chief Data Officer

*Chairperson



Statements of Income

(in thousands)	2024 PRELIMINARY	2023
Interest Income		
Interest on loans to members	\$ 284,510	\$ 258,156
Interest on investments and cash equivalents	77,515	64,002
Total interest income	362,025	322,158
Interest Expense		
Dividends on members' shares	100,286	76,203
Interest on borrowed funds	74,366	64,734
Total interest expense	174,652	140,937
Net interest income	187,373	181,221
Provision for loan losses	56,550	38,800
Net interest income after provision for loan losses	130,823	142,421
Non-Interest Income		
Service charges and other fees	35,413	36,402
Interchange income	43,459	43,976
Other mortgage income	7,879	7,529
Net gain on sale of loans	6,247	4,822
Other non-interest income	30,772	30,148
Gain (loss) on assets at fair value, net	(3,030)	(1,160)
Total non-interest income	120,740	121,717
Non-Interest Expense		
Salaries and benefits	105,948	107,012
Loan costs	37,154	35,301
Equipment and data processing	22,157	26,699
Occupancy	8,321	7,065
Other operating costs	54,871	48,742
Total non-interest expense	228,451	224,819
Net Income	\$ 23,112	\$ 39,319

Statements of Financial Condition

(in thousands)	2024 PRELIMINARY	2023
Assets		
Cash and cash equivalents	\$ 409,183	\$ 415,291
Investments		
Available-for-sale, at fair value	295,430	225,557
Other	101,563	86,362
Mortgage loans held for sale	14,695	7,985
Loans to members, net	4,912,449	4,850,577
Accrued interest receivable	19,879	17,694
Property and equipment, net	107,940	112,409
NCUSIF deposit	37,865	39,873
Mortgage servicing rights at fair value	34,431	34,415
Other assets	84,908	105,009
Total Assets	\$6,018,343	\$5,895,172
Liabilities and Members' Equity		
Liabilities		
Members' shares	\$4,362,156	\$4,245,040
Non Members' Shares	272,828	264,029
Borrowed funds	780,000	775,000
Accrued expenses and other liabilities	58,304	85,718
Total Liabilities	\$5,473,288	\$5,369,787
Members' Equity		
Retained earnings, substantially restricted	\$ 582,301	\$ 559,189
Accumulated other comprehensive loss	(37,246)	(33,804)
Total members' equity	545,055	525,385
Total Liabilities and Members' Equity	\$6,018,343	\$5,895,172

Remuneration Expenses

The following chart includes total and individual compensation for directors and committee members for 2024.

William Costa	\$ 33,000
Brett Craig	33,000
Mike Curran	49,500
Christine Fleming	38,500
Betty Larson	33,000
Paul Martin	38,500
Christine McCauley	38,500
Alfred Nietzel	33,000
Ola Snow	33,000
David Strauss	33,000
Robyn Wells	16,500
Total	\$379,500